



ANNUAL REPORT

November 2013

- **Safety**
- **Mobility**
- **Economic Opportunity**

Idaho Transportation Board



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The past four years have brought major changes to the Idaho Transportation Department. It is not the same organization today as it was yesterday or as it will be tomorrow. The transition continues as we strive to become a national leader in the transportation industry. I am pleased to share with you some of the remarkable accomplishments ITD has made the past year—changes built on hard work and a shared vision.

Our strategic plan drives everything we do at ITD. The plan challenges every employee to work individually and collectively to achieve three primary goals:

- Provide the safest transportation system possible
- Operate a mobility-focused transportation system that drives economic opportunity in Idaho
- Become a state and national leader by investing in our employees and implementing innovative practices

This report shows the progress we have made in achieving those three goals. We have 10 “dashboard” measures on the ITD website (itd.idaho.gov) that clearly show how we are performing in several categories, including pavement and bridge conditions, highway safety, winter maintenance, and processing motor-vehicle transactions. The dashboard measures are included in this report.

ITD received many significant honors in FY12, including 19 national awards and 18 state awards. In addition, the Idaho Legislature passed a concurrent resolution recognizing and commending the department for its achievements and service to the citizens of Idaho. We were also pleased to have our headquarters building renamed the Philip E. Batt Building, in honor of Governor Batt’s commitment to transportation in Idaho.

If you have questions or comments about our annual report, please don’t hesitate to contact my office. Thank you for your continued support of our journey to become the best transportation department in the country.

Sincerely,

A handwritten signature in blue ink that reads 'Brian W. Ness'.

BRIAN W. NESS
Director

LEGISLATURE OF THE STATE OF IDAHO

Sixty-second Legislature, First Regular Session — 2013

RESOLUTION

In the House of Representatives

House Concurrent Resolution No. 8, by the Transportation and Defense Committee

A concurrent resolution stating findings of the Legislature and recognizing the achievements of the Idaho Transportation Department

Be it resolved by the Legislature of the State of Idaho:

WHEREAS, previously the Idaho Transportation Department (ITD) was using an outdated model, layered with bureaucracy, to run its organization; and

WHEREAS, ITD employees were not rewarded or promoted based upon results achieved but based solely upon being a supervisor; and

WHEREAS, ITD chose to realign its organization to provide greater efficiency, greater accountability for its employees, increased customer service and decreased cost; and

WHEREAS, ITD was able to successfully realign by eliminating layers of management and duplicate positions and by clearly defining roles, responsibilities and expectations of its employees; and

WHEREAS, no ITD employees lost their jobs or pay in the realignment; and

WHEREAS, ITD's realignment generated \$5.7 million in savings in the first year and another \$7 million in the second year; and

WHEREAS, improvements in cash forecasting and project management practices will provide an additional \$100 million for highway maintenance and construction projects over the next five years; and

WHEREAS, numerous organizations including the Federal Highway Administration, the National Cooperative Highway Research Program and the American Association of State Highway and Transportation Officials have recognized ITD as a national leader in innovative practices; and

WHEREAS, ITD now has a strategic plan to use its transportation funds to target opportunities for economic growth by expanding existing businesses, attracting new businesses and creating jobs, while at the same time improving Idaho's infrastructure.

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Sixty-second Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Idaho Transportation Department be recognized and commended for its service to the people of Idaho and for its achievements in creating an innovative and efficient department that encourages economic growth.

BE IT FURTHER RESOLVED that the Chief Clerk of the House of Representatives is hereby authorized and directed to forward a copy of this Resolution to the Governor of the State of Idaho.

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Revenue and Expenses

FY13 Budget

Total state revenue to the State Highway Account of \$241.7 million exceeded projections by 0.81 percent, or \$1.8 million.

Personnel expenditures were higher than in FY12, while the combined total for operating costs and capital equipment purchases was similar to previous years.

The department used \$344,900 generated through reduced liability insurance premiums to restore depleted inventories of critical highway maintenance materials.

(Dollars shown below are in millions)

FY13 Appropriation by Fund Source (Senate Bill 1394)

- Federal (appropriation may differ from authorization).....\$265.0
- State (dedicated, includes cash balance from FY12)\$262.5
- Other\$4.7

FY13 Appropriation by Expenditure (Senate Bill 1394)

- Capital outlay\$305.5
- Personnel\$113.4
- Operating\$97.2
- Trustee/Benefit.....\$16.1

FY13 Staffing Level

- Authorized full-time equivalent positions.....1,827.5

GARVEE Program

ITD uses GARVEE (Grant Anticipation Revenue Vehicle) bonds to offset inflation by advancing priority projects that otherwise would have taken decades to fund and complete.

- Total Amount Authorized \$857.4
- Bonds Sold..... \$775.5
- Amount Under Contract (as of 7-31-13) \$778
- Expended (as of 7-31-13) \$718

FY13 Debt Service on GARVEE Bonds

- Federal.....\$48.6
- State (dedicated)\$4.0

FY14 Budget

The primary cause of the reduction in ITD's FY14 federal spending authority is the passage of the multi-year transportation authorization act Moving Ahead for Progress in the 21st Century (MAP-21) signed by the President on July 6, 2012. MAP-21:

- Established apportionment levels for transportation funding through September 2014
- Eliminated multiple programs, narrowing funding to only six core programs
- Reduced surface transportation funding to Idaho by approximately six percent
- Increased transit funding by approximately 47 percent.

Personnel expenditures increased \$1.5 million in FY14 for three reasons:

- Health insurance increased \$550 per employee.
- The PERSI rate increased 0.93 percent, resulting in an 8.9 percent cost increase.
- A \$40,000 increase in temporary and overtime costs associated with a cooperative road maintenance agreement with the Idaho Department of Parks and Recreation and the city of Boise.

(Dollars shown below are in millions)

FY14 Appropriation by Fund Source (House Bill 297)

- Federal.....\$242.6
- State (dedicated, includes cash balance from FY13)\$244.5
- Other\$4.6

FY14 Appropriation by Expenditure (House Bill 297)

- Capital outlay\$255.6
- Personnel\$114.9
- Operating\$101.1
- Trustee/Benefit.....\$20.1

FY14 Staffing Level

- Authorized full-time equivalent positions (FTP) ..1,814

FY14 Debt Service on GARVEE Bonds

- Federal.....\$53.6
- State (dedicated)\$4.7



Providing the Safest Transportation System Possible

The first goal in the department's strategic plan is to provide the safest transportation system possible. In 2012, 184 people were killed and 10,998 injured in crashes on Idaho highways. The economic costs of these deaths and injuries, along with the more than 21,000 crashes that occurred throughout the state, amount to more than \$2.3 billion. The economic costs are enormous, but the personal costs to families and friends are even greater.

The department strives to reduce the number of deaths and injuries on Idaho's roads—within available resources—by using a combination of innovative engineering, advanced technology, strategies to improve driver behavior, and more partnerships. To monitor progress toward providing a safer transportation system, the strategic plan established the following measures:

- Reduction in fatalities
- Reduction in serious injuries
- Reduction in injuries and fatalities related to distracted driving
- Reduction in injuries and fatalities related to impaired driving
- Impact of corridor-safety initiatives and improvements
- Increase in seat-belt use

Idaho Highway Fatalities Less than 200 for Second Year in a Row

Idaho's 2012 motor vehicle fatality rate was 10 percent less than its 2008 to 2011 average. The state averaged 208 motor vehicle fatalities annually from 2008 to 2011. In 2012, there were 184 motor vehicle fatalities.

While this represents a slight increase from Idaho's historic low of 167 fatalities in 2011, the number is less than the yearly averages for motor-vehicle fatalities since 1956.

Idaho's 2012 Highway Fatality Rate Matches National Rate

Idaho's 2012 highway fatality rate per 100 million miles of travel was the same as the national average. Until last year, Idaho's rate was consistently higher than the national average. The fatality rate is based on the number of deaths per 100 million vehicle miles of travel. The measurement is an indicator of the overall safety of state and national highway systems.

The fatality rate for Idaho motorists increased from 1.08 in 2011 to 1.16 in 2012. The injury rate dropped from 70.48 in 2011 to 69.38 in 2012.

Winter Storm Performance Measures Improve Safety and Efficiency

A revolutionary new way of determining the effectiveness of the department's winter-maintenance activities is improving safety and efficiency.

Remote highway sensors provide highway data that enables maintenance crews to decide when to apply highway treatments, which kinds of treatments to apply, and how much to apply.

The storm index enables the department to measure the effectiveness of its response and impact on both motorist safety and mobility.

Winter slide-offs were reduced by more than 40 percent in southeast Idaho where storm indexing was pioneered. Ice duration decreased by about 75 percent. These reductions are possible because maintenance staff use quantified results from each storm to define best practices and improve outcomes.

Maintenance Performance System Gaining National and International Attention

Idaho's system for measuring winter-maintenance performance is earning national awards and attracting worldwide attention.

Fourteen states, two Canadian provinces, Sweden, Belgium, and several universities have contacted the department about the system. The program was presented at the Intelligent Transportation System World Congress in Tokyo, and at conferences in Ireland and the European country of Andorra.

The system also received the following awards:

- National Roadway Safety Award from the Federal Highway Administration. The award recognizes safety projects that move the United States toward zero deaths and serious injuries on the nation's roadways.
- Francis B. Francois Award from the American Association of State Highway and Transportation Officials for innovation. As part of the award, the department received \$10,000 to fund a university graduate fellowship.
- Best New Innovative Practice from the Rural Intelligence Transportation Society of America.
- National Finalist Award from the Intelligent Transportation Society of America's 2013 Best of ITS Awards.

Winter Maintenance Response Measure Added to Dashboard

Citizens now can track the percent of time Idaho's state highways are clear of snow and ice during winter storms. The new "dashboard" gauge gives the public a snapshot of the

effectiveness of the department's winter-maintenance activities. The data is based on the department's winter-maintenance performance measuring system.

The new dashboard gauge joins nine other measures that reflect ITD's performance in several categories, including processing driver's licenses, traffic fatalities, pavement and bridge conditions, and contract awards. The dashboard can be viewed through the department's website at itd.idaho.gov.

Innovative Safety Messages Launched in Blackfoot, Twin Falls, and Lewiston

Idaho's new method to communicate the risks of drinking and driving was launched in three Idaho communities this year.

ITD and its safety partners believe Idaho's highway safety can be improved by changing the state's driving culture. The new model emphasizes that "most of us" do not drink and drive and that it is unacceptable for others to do so.

Community attitudes toward drinking and driving in Blackfoot, Twin Falls, and Lewiston were surveyed. Messages and strategies were developed for implementing a communication plan in those cities to close the gap between the "norms" and "perceived norms" discovered by the surveys.

Radio spots, television ads, and information for stories and opinion articles have been developed, based on survey findings. Pilot testing of the messages is under way in Blackfoot, Twin Falls, and Lewiston.

The project was in response to the high number of single-vehicle run-off-road crashes in Idaho that often result from impaired driving.

New Coalition to Assist in Spreading Highway Safety Campaign Messages

A new coalition of doctors, trauma nurses, firemen, law enforcement officers, and community leaders are working cooperatively with the department to improve highway safety through outreach efforts.

Idaho Highway Safety Coalition members will make safety presentations across the state using a tool kit developed by the department. Members participated in outreach and education training in September from national highway safety advocate and registered nurse Pam Holt.

Idaho Setting National Example for Motorcycle Skills Training

Idaho is setting a national example for motorcycle skills training. Idaho Skills Training Advantage for Riders (STAR) Director Stacey Axmaker shared at the 2013 National Summit on Comprehensive Motorcycle Safety how Idaho's program became one of the first in the nation to meet new national training standards.

Idaho Wins Two National Safety Awards

Idaho received two of the three 2013 National Roadway Safety Awards presented by the Federal Highway Administration and its safety partners.

An innovative program to track winter-maintenance performance emerged as the top program for Operational Improvements, while a highway safety corridor project won top honors in Program Planning, Development, and Evaluation.

The winter-performance system measures the effectiveness of the department's roadway treatments and how quickly they result in highways that are clear of snow and ice. The system has become a national and international model and was honored with a national award for innovation.

The highway-safety corridor system produces a list of priority locations where improvements will most increase safety. The process allows the department to effectively use its limited funds to decrease fatality and crash rates.

Project to Improve Winter Safety at Intersections Recognized in National Magazine

The department's work to improve safety at intersections during the winter was recognized in the Federal Highway Administration's magazine "Public Roads." The article titled "Managing Traffic Signals During Storms" details how the department is integrating information from its road weather information system with traffic-signal technology. The prototype is being tested in Moscow. The goal is to reduce the impact of weather-related crashes at intersections. The project is a joint effort involving ITD and the University of Idaho.

State Farm Insurance Provides Grant to Promote Teen Driver Safety

State Farm Insurance is partnering with the department to promote traffic-safety events at high schools in Burley, Rupert, and Caldwell. The schools will share the \$3,750 State Farm Insurance grant. Vehicle crashes are the leading cause of death among teenagers.

Safety Program Will Help Parents and Young Drivers

Helping parents teach young drivers to make better decisions is the focus of a new program launched this year through the cooperation of ITD, the Idaho Department of Education, and the Ford Motor Company. The program optimizes the 50 hours of supervised driving that teens are required to complete with their parents before receiving a driver's license. Through the Ford Motor Co. sponsorship, the materials are provided free to parents.



ITD's innovative Winter Performance Maintenance System measures the effectiveness of snow and ice treatments.

Five-Year Fatality Rate

Goal: Reduce the five-year fatality rate to 1.29 per 100 million vehicle miles traveled by the 2009-2013 period.

Five Year Fatality Rate
-- 2008 to 2012 --



Why This Is Important

Even one death on Idaho's highways is one death too many. A total of 1,018 people lost their lives on Idaho roads between 2008 and 2012. Each death is a personal tragedy for the individual's family and friends, and has an enormous financial cost to the community. Every life counts.

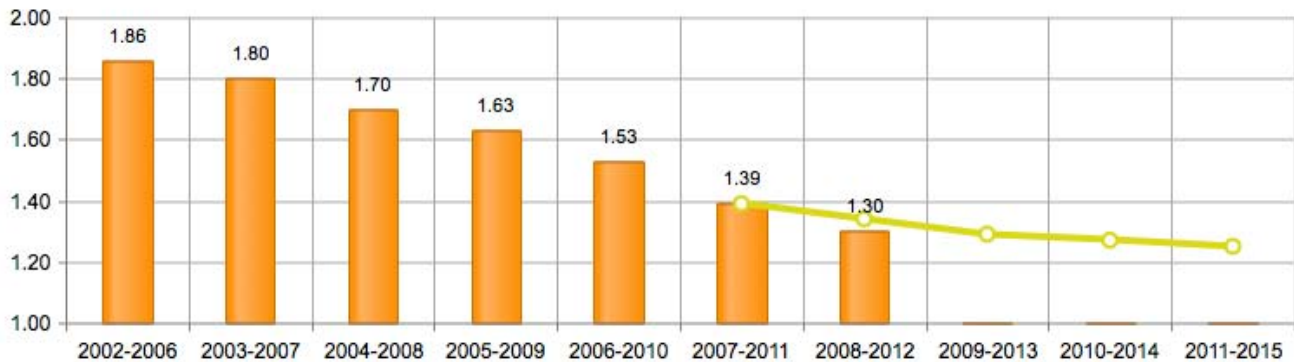
How We Measure It

The measure is calculated by dividing the number of fatalities that occur over a five-year period by the number of vehicle miles traveled over the same five-year period. The five-year rate for 2008 to 2012 is 1.3 fatalities per 100 million vehicle miles traveled. Note: This 1.3 fatality rate is based on ITD's current estimate of vehicle miles traveled in 2012. The final fatality rate will not be available until April 2014 following the Federal Highway Administration's release of the official vehicle miles traveled number for 2012.

What We're Doing About It

The department advances programs to eliminate traffic deaths, serious injuries, and economic losses. These programs focus on engineering, education, enforcement, and emergency response.

Five-Year Fatality Rate
(Per 100 Million Vehicle Miles Traveled)



Percent of Time Highways Clear of Snow/Ice During Winter Storms

Goal: Maintain at least 55% unimpeded mobility during winter storms.

NEW--Percent of Time Highways Clear of Snow/Ice During Winter Storms
-- 2012/2013 --



Why This Is Important

Idaho travelers need safe and reliable highways during winter storms. Preventing the accumulation of snow and ice or quickly removing it from highways increases safety, mobility and improves commerce.

How We Measure It

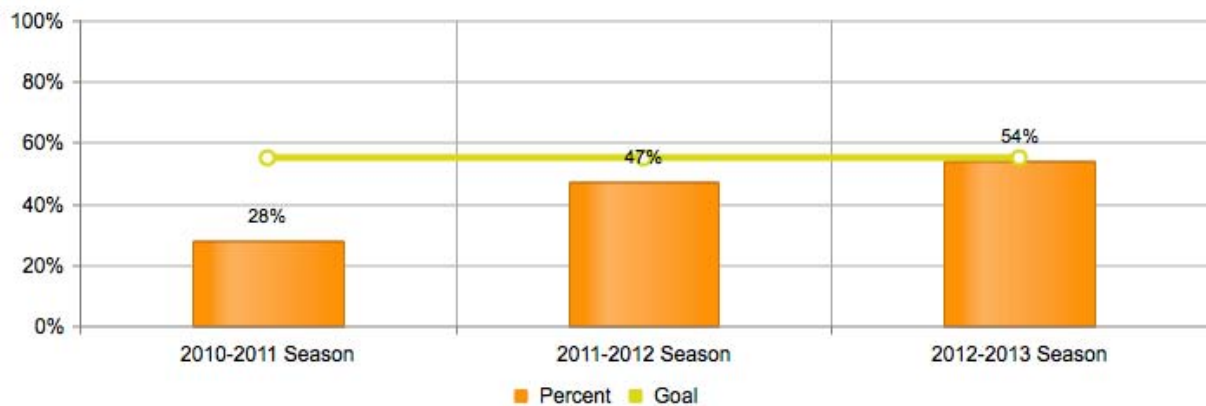
Idaho's 4,984 centerline miles of highways are broken down into 217 sections. Over 46% of these highway sections, including the most heavily traveled corridors, have automated roadway condition sensors and weather information stations located where travel is deemed to be highly impacted by winter storms--high elevation summits, steep grades, bridge overpasses, etc. This measure tracks the percent of time those highway sections with automated sensors and weather information stations are clear of ice and snow during winter storms.

What We're Doing About It

ITD is using this data from the automated roadway condition sensors and weather information stations to continuously improve the effectiveness of its winter maintenance efforts across the state. The Department accomplishes this by customizing snowplowing practices and de-icing treatments for all sections of Idaho highways.

Percent of Time Highways Clear of Snow/Ice During Winter Storms

Target: Maintain at least 55% unimpeded mobility during winter storms.





Construction of the new I-84 / U.S. 93 Interchange removed height restrictions for commercial trucks.

Providing a Mobility-Focused Transportation System that Drives Economic Opportunity

Idahoans depend on a multi-modal transportation network to provide safe, reliable, and efficient service. The investments ITD makes in Idaho's transportation network have a strong influence on Idaho's gross domestic product and provide job opportunities for citizens and growth for businesses.

The department is working with the Idaho Department of Commerce to coordinate transportation investments and maximize their impact to Idaho's economy.

To measure progress toward providing a mobility-focused transportation system, the department's strategic plan established the following measures:

- Increase in the efficiency in which goods are transported
- Reduction in travel times for commuting, commerce, recreation, and tourism

Idaho's investments in roads, airports, railroads, canals, and rivers have always preceded economic growth. ITD invests in transportation projects after an analysis of several factors, including pavement and bridge condition, crash history, and economic impacts.

Transportation Investments Improve the Quality of Life and Prosperity of all Idahoans

Improving and maintaining Idaho's infrastructure is a key component of Governor C.L. "Butch" Otter's vision to strengthen and diversify the state's economy through his Project 60 Initiative. Project 60 is Governor Otter's plan to grow Idaho's gross domestic product to \$60 billion annually by selling more Idaho products and services to the world and showcasing Idaho's stable and predictable tax and regulatory environment. ITD is partnering with other agencies to help achieve the Governor's Project 60 goals.

Idaho's Gross Domestic Product and the state's transportation system are closely linked. People and businesses depend on a transportation network that provides safe, reliable, and efficient service. As a primary driver of economic development, in the past ITD did what most other state transportation departments do—it focused on economic development by producing a list of transportation projects. The list determined the number of jobs created or retained on a project-by-project basis. The department's 2011 strategic plan moves ITD in a new direction. It focuses on the state's overall economic goals first. Then, the department determines how

transportation funds can be used to expand existing business, attract new businesses, and create jobs. The plan also improves Idaho's infrastructure. This is a major cultural shift for the department and distinguishes ITD from other transportation departments in the country.

To measure progress toward driving economic opportunity, the department's strategic plan established the following measures:

- Increase in Idaho gross domestic product
- Increase in jobs and business revenues

Providing Mobility

Highway and Bridge Conditions are Stable, but Projected to Decline Dramatically

The condition of Idaho's state highways and bridges remain stable, but are projected to decline if transportation revenue is not increased. The Governor's Task Force on Modernizing Transportation Funding found that Idaho needs to invest an additional \$262 million annually in its transportation system just to maintain the current conditions. The American Association of State Highway and Transportation Officials found that every \$1 spent on highways in good condition saves up to \$14 if the repairs are postponed until the highways are in bad condition.

Policy Improvement will Speed Project Delivery and Improve Cash Flow

The department is redefining how it delivers projects on time. Now project managers are required to deliver project plans 12 months ahead of the year projects are scheduled for construction.

This policy change:

- Keeps ITD's promises to the citizens of Idaho
- Improves cash flow, making certain Idaho's tax dollars are invested rather than banked
- Allows contractors to plan predictable work flows, creates a more stable job market, and increases the number of bidders
- Positions ITD to invest cost savings or unexpected revenue into additional projects

New Approach Reduces Construction Zone Delays

Traffic is flowing more smoothly through construction zones as a result of new procedures implemented by the department. Wait times are shorter, and speed limits and lane closures are more reasonable for projects. The changes include reducing speeds and restricting lanes only in work areas rather than along the entire construction corridor.

Idaho's First Diverging-Diamond Interchange Improves Safety and Traffic Flow

A new interchange on I-86 and U.S. 91 removed a traffic chokepoint between Pocatello and Chubbuck, and substantially improved safety for vehicles accessing the interstate.

The Chubbuck Interchange provides access to the region's shopping mall and other major retailers and is one of the busiest intersections in eastern Idaho. The new structure is Idaho's first diverging-diamond interchange.

A diverging-diamond interchange allows for continuous left turns. This eliminates the need to stop vehicles at a traffic signal and will improve safety. The interchange opened in October.



The new Chubbuck Interchange is the first diverging diamond interchange in Idaho. The new structure increases capacity and improves safety.

U.S. 95 Interchange Project Improves Access to Local Businesses

A project to build an interchange on U.S. 95 at Bunco Road in Coeur d'Alene was constructed in one year to lessen the impacts to traffic and area businesses, and improve access for local residents and businesses, including the Silverwood Amusement Park. The contractor received a bonus for finishing the project in one construction season, rather than the two years typically required for that type of project.

More than 12,000 people visit the amusement park daily during the summer. The department worked cooperatively with Silverwood to minimize impacts during construction in addition to lengthening and modernizing the pedestrian tunnel under U.S. 95 the public uses to access the park.

Interchange Reconstruction Accommodates Future Traffic Increases on I-84 / U.S. 93

The second stage of reconstruction of I-84/U.S. 93 is improving safety with longer interstate exit and entry ramps, additional lighting, and a wider U.S. 93. The reconstruction also will accommodate predicted traffic increases as the area grows economically. The project was completed in October.

Driving Economic Opportunity

Economic Impact Tools Help ITD Make Better Investment Decisions

The department is moving in a new direction for investing the state's transportation funds. In addition to considering the condition of the infrastructure, the department analyzes how its funding can expand and attract businesses and create jobs.

To assist in the process, the department recently obtained and began implementing the economic analysis tool TREDIS (Transportation Economic Development Impact System). TREDIS assesses economic impacts, benefits, and the costs of transportation policies, plans, and projects from alternative perspectives. This will allow the department to better integrate economic opportunity into investment decisions.

Department Joins Statewide Effort to Land Unmanned Aircraft Test Center

The department joined representatives from government, the state's universities, and private industry to pitch Idaho as the future location of a test center for unmanned aircraft. Idaho is one of 13 states being considered by the Federal Aviation Administration as a test center for drone aircraft.

Advisory Committee Formed to Assist Implementation of Freight Study

Improving freight movement will enhance Idaho's economy, a department study concluded last year. To assist in implementing the study's six recommendations, a freight advisory committee was formed. Representatives from the agricultural, aviation, natural resource, manufacturing, rail, trucking industries, and the Port of Lewiston are working collaboratively to improve Idaho's freight infrastructure.

Partnership Allows Intersection Project to Begin Several Years Early on U.S. 95 / U.S. 20/26

To help improve the safety of the public and employees of a major company, the department partnered with the Idaho Department of Commerce, the Western Alliance for Economic Development, and Nunhems USA Inc. to reconstruct the intersection of U.S. 95 and U.S. 20/26. This project improved safety, and the partnership allowed the project to be constructed several years earlier than planned.

Economic Improvement Approach Highlighted at International Conference

The department's new approach to improving Idaho's economy was a featured presentation at the 2013 Pacific Northwest Economic Region Conference in Alaska. The department is focusing on the state's economic goals first, and then determining how transportation funds can be used to expand and attract businesses and create jobs.

Partnership Provides New Rest Area on U.S. 95

A new rest area on U.S. 95 at the summit of Winchester Grade opened in late 2012 through a partnership with the department and the Nez Perce Tribe, saving up to \$4 million. When the Nez Perce Tribe proposed an expansion of its Camas Express Convenience Store, ITD proposed a partnership. ITD provided \$350,000 for the project. In exchange, the tribe provides and maintains the rest rooms.

Weigh-In-Motion Systems Improve Commerce

New weigh-in-motion technology is reducing costs for truckers and speeding delivery on U.S. 95 north of Lewiston and on U.S. 20 at Ashton. The upgraded system weighs trucks before they approach the Lewiston Port of Entry. This allows decisions to be made whether to allow vehicles to bypass the port or stop for inspection. On U.S. 20, a sensor weighs and photographs trucks as they pass, and information is sent to roving ports or the Montana DOT. These systems improve commerce by keeping compliant trucks moving.

Percent of Pavement in Good or Fair Condition

Goal: Maintain at least 82 percent of all state highways in good or fair condition.

Percent of Pavement in Good or Fair Condition
-- 2012 --



Why This Is Important

Pavement condition has an impact on the operating costs of passenger and commercial vehicles. Regularly scheduled preventative maintenance, preservation, and reconstruction treatments extend the useful life of pavements in the State Highway System.

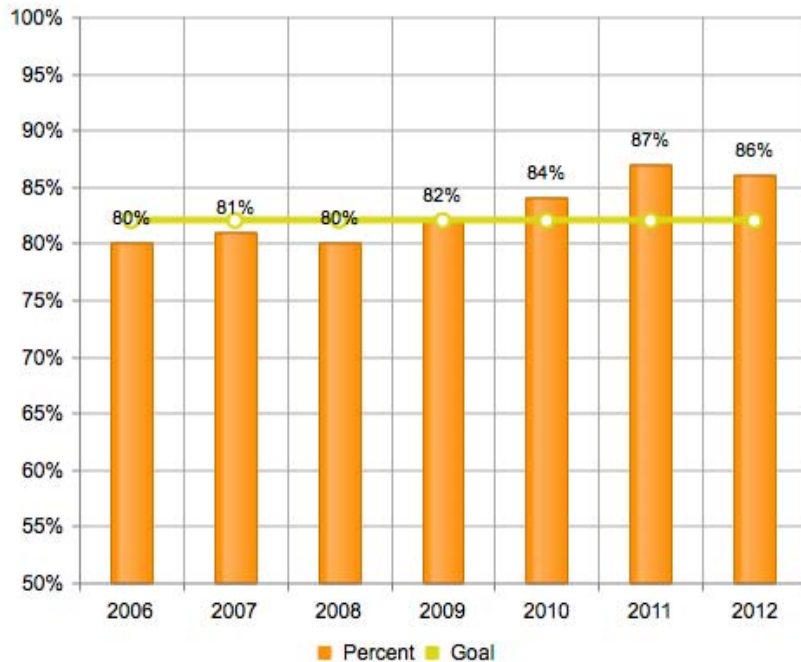
How We Measure It

Roughness and rutting are measured by driving a specially equipped rating van over the entire State Highway System during spring and summer. Cracking is measured in the summer and fall by a visual inspection of digital video recordings of the entire State Highway System. The collected data and the visual inspections are then used to rate pavement conditions as good, fair, poor, or very poor.

What We're Doing About It

ITD focuses on internal efficiencies to maximize investments in the system. Investment decisions are prioritized to keep highways in good or fair condition to avoid costly replacement. The department has implemented new management systems to strategically schedule preventative maintenance and preservation projects at the optimal time across the state.

Percent of Pavement in Good or Fair Condition



Percent of Bridges in Good Condition

Goal: Maintain at least 80 percent of all bridges in the State Highway System in good condition

Percent of Bridges in Good Condition
-- 2012 --



Why This Is Important

Ensuring that Idaho's bridges are in good condition protects transportation investments and lowers repair costs while maintaining connectivity and commerce. Commerce depends on the carrying capacity and reliability of roads and bridges.

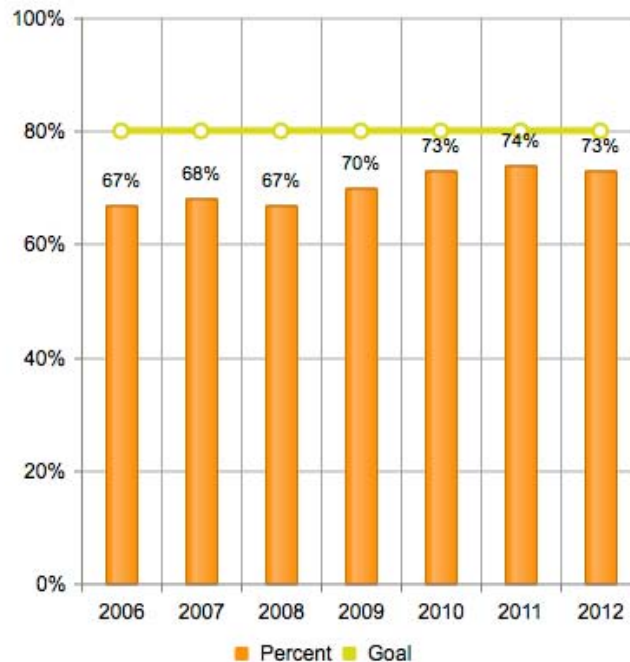
How We Measure It

The measurement is the ratio of deck area (or plan dimension) of bridges in good condition to the deck area of the entire inventory of state bridges stated as a percentage.

What We're Doing About It

ITD strategically schedules preservation and restoration projects to improve deteriorating bridges across the state. Over time, increased investments will be needed to achieve this goal.

Percent of Bridges in Good Condition



Percent of Highway Projects Developed on Time

Goal: Have 100% of scheduled projects developed by the end of the Federal fiscal year.

**Percent of Highway Projects
Developed on Time
-- Federal Fiscal Year 2012 --**



Why This Is Important

Completing the development of highway infrastructure projects on time is an important aspect of credibility and customer service for ITD. Development includes the planning, designing, environmental documenting, permitting, and securing of right-of-way to make projects bid ready. Stakeholders depend on the department to deliver projects to construction in the year they were intended. Projects for which development is completed on time cost less and provide ITD and the construction industry adequate lead times. This allows flexibility to plan and schedule resources for the construction phases of the projects.

Effectively managing non-infrastructure highway projects such as travel surveys, commuter vanpool programs, and educational materials for Safe Routes to Schools is also critical to achieving ITD's primary goals of safety and a mobility-focused transportation system driving economic opportunity.

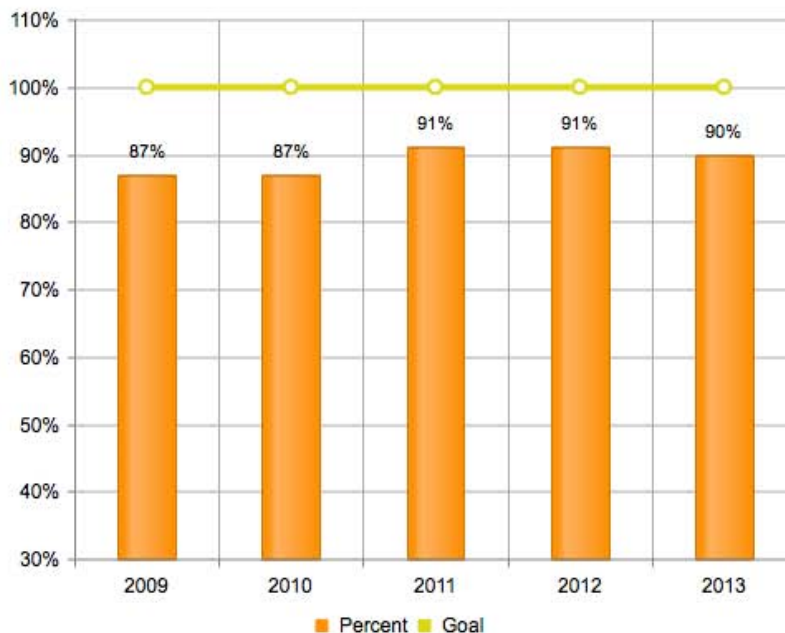
How We Measure It

The measure monitors both the dates when highway infrastructure projects are determined to be ready to bid and the dates when funds for non-infrastructure projects are available to spend. The reported percentages are the year-to-date cumulative totals for the federal fiscal year which ends September 30.

What We're Doing About It

ITD is more consistently holding managers accountable for delivering projects on time. A project-scheduling system has been implemented and project-management training is ongoing.

Percent of Highway Projects Developed on Time



Construction Cost at Award as a Percent of Construction Budget

**Goal: Maintain Cumulative Construction Cost at Award
within Percent of Budget**

**Construction Cost at Award as a
Percent of Budget**
-- Federal Fiscal Year 2012 --



Why This Is Important

Stakeholders and the public expect ITD to deliver all highway projects to construction that are programmed each year. This requires projects to be delivered within budget. Projects on which costs at contract award are as close as possible to the project programmed amount allow ITD to better invest limited funding and maximize benefits.

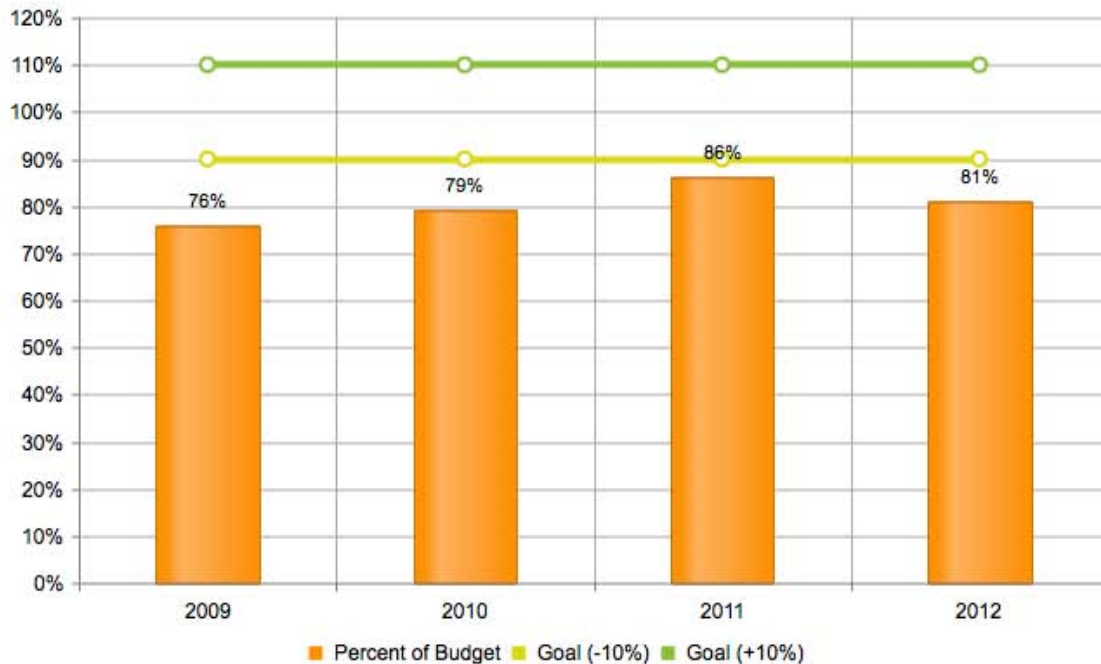
How We Measure It

ITD totals the construction costs of projects awarded in the fiscal year and compares them to the total construction budget programmed at the beginning of the fiscal year for the same projects. GARVEE projects are not included.

What We're Doing About It

ITD employs value engineering and practical design principles to ensure projects provide the benefits desired at the lowest practical cost. ITD closely monitors construction bids and price trends to keep construction estimates accurate. Collectively, these methods allow more projects to be provided at or under the programmed amount.

Cumulative Construction Costs at Award as a Percent of Budget Federal Fiscal Year



NOTES: Based on Federal Fiscal Year, GARVEE Projects not included.

Final Construction Cost as a Percent of Contract Award

Goal: Maintain Final Cost within +/-5% of the Contract

Final Construction Cost as a Percent of Contract Award
-- Calendar Year 2012 --



Why This Is Important

Stakeholders and the public expect ITD to deliver highway projects that improve safety, enhance mobility, and drive economic opportunity. This requires projects to be well designed and delivered within budget—as close to the contract award amount as possible. Projects delivered within budget allow ITD to efficiently invest limited funding and maximize benefits for the public.

How We Measure It

ITD totals the construction costs for projects which have had the final payment made in the given calendar year (excluding any additional costs that may have been paid for contractually specified adjustments), totals the bid amounts for these projects at contract award, and then compares the adjusted construction costs to the bid amounts at contract award.

What We're Doing About It

ITD uses a variety of techniques to limit cost increases due to factors within its control including enhanced risk assessment and management on complex projects, regular process reviews and improvement implementations, ongoing training of staff, and annual post-construction reviews.

Final Construction Cost as a Percent of Contract Award





ITD used many innovative practices on the Sand Creek Byway—earning numerous state and national awards.

Become the Best Organization by Continually Developing Employees and Implementing Innovative Business Practices

Developing Employees

The department's demographics are changing. Fifty percent of ITD's employees are eligible to retire in the next five years.

That is why it is critical to plan for ITD's future workforce both strategically and tactically. The ITD of the future will be smaller, more highly skilled, and better paid. Employees will have higher levels of skill, and the department will have to compensate them for those skills to attract and retain them.

The department is positioning itself for a smaller, leaner, and more responsive workforce by creating a succession plan, strategically replacing only the most critical vacancies, and reviewing its classification system. ITD's smaller, more effective future workforce must be well planned, well paid, and work smarter.

Teamwork plays a vital role in ITD achieving its goals. Effective teams ensure broad employee input and create an empowered and motivated workforce. Collaborative decision-making leads to better solutions and improves services to taxpayers.

Training ITD's workforce is critical. Trained employees are more productive and deliver higher-quality results. As they

gain higher-level skills, employees need to be financially compensated accordingly.

To measure progress toward developing employees, the department's strategic plan focuses on the following measures:

- Progress toward the desired organizational culture
- Leadership effectiveness
- Individual performance plans linked to strategic goals
- Increase in employee productivity
- Reduction in turnover
- Total employee compensation compared to similar markets

Implementing Innovative Business Practices

ITD needs to continually review and improve its business practices to remain responsive to customers. Strong leadership is the key to this process. Leaders drive critical innovation, implement change, and create adaptable organizations that succeed in meeting and exceeding customer expectations.

To measure progress toward implementing innovative business practices, the strategic plan established the following measures:

- Reduction in costs through innovation, process improvement, and technology
- Improvement in performance measures
- Increase in customer satisfaction

Developing Employees

Employee Performance Reviews Completed in the Same Month for the First Time

For the first time, the department completed all annual employee performance evaluations on a common review date in June. The common review date allows ITD to assess the progress it made in the previous 12 months toward achieving its strategic goals—both for individuals and the department—and make changes as necessary.

Employee Development Program Focuses on Leadership and Customer Service

To achieve greater efficiencies, improve customer service, and develop and measure the work culture, the department is emphasizing employee development. A new competency-based leadership program was launched in 2013 to achieve these goals.

Providing excellent customer service is the cornerstone of everything the department does. That is why customer service is a vital part of its strategic plan, and why customer service has become a measurable part of every employee's performance plan.

"Learning Hub" Eliminates Paper Trail to Request and Track Professional Development Classes

A new online tool allows employees and supervisors to plan, approve, and track professional-development classes, eliminating paperwork and manual entry of records. The ITD Learning Hub allows employees to view their transcripts, browse the department's training catalog, and request training. Supervisors use the same tool to approve or deny requests.

Leadership Summit Focuses on Customer Service

More than 200 employees and department partners met in October to learn about the importance of leadership in improving customer service—and then share the information with their co-workers. The department's second annual Leadership Summit focused on the strategic plan and customer service.

Summit speakers emphasized employee development as a way to achieve greater efficiencies, and shared methods to improve customer service and achieve a better work culture.

Innovative Business Practices

Improvements to Efficiency and Effectiveness Featured at Washington, D.C., Conference

Improvements in the efficiency and effectiveness of the department were featured as a national model at the Transportation Research Board meeting in Washington, D.C.



More than 200 leaders from the department participated in the ITD Leadership Summit.

Director Brian Ness, along with directors of the Michigan, Minnesota, and Delaware departments of transportation, spoke at a session titled “Current Strategies for State Department of Transportation Leadership.” More than 11,000 people from across the world attend the conference to learn about the latest in transportation innovations and progress.

Through realignment and other efficiencies, the department saved \$5.7 million in the first year, \$7 million in the second year, and \$9 million in fiscal year 2013. The savings were invested in new maintenance equipment to offset the impact of high fuel prices, construct new projects, and reduce employee turnover. ITD generated the savings with no employees losing their jobs or pay and while increasing customer service.

\$100 Million Made Available for Additional Projects

Improvements in cash forecasting and project-management practices will provide an additional \$100 million in highway maintenance and construction projects over the next five years. The funds became available because of an adjustment in projected inflation rates and changes in how ITD budgets for and estimates project costs. The Five-Year Plan allocates the additional \$100 million to fund projects in Sandpoint, Moscow, the Treasure Valley, Twin Falls, Blackfoot, and Idaho Falls.

GARVEE Program Innovation will Save \$40 Million

The department will save an estimated \$40 million in interest on four highway projects funded by bonds. By paying an additional \$3 million, or \$59 million annually, ITD will save \$40 million in interest and reduce the final two loan payments to less than \$10 million each. This approach and favorable market conditions allowed Idaho to issue the 2012 bonds (\$38 million) to complete the construction on Idaho 16 at an interest rate of 2.99 percent. Without the change in the payment approach, the interest rate would have been higher.

Idaho was the only issuer of stand-alone GARVEE bonds to have its Fitch rating, an A+, remain unchanged. The high rating reflects the conservative approach Idaho has taken with GARVEE bonds and the efficient management of the program. ITD uses GARVEE bonds as a tool to construct critically needed projects now, but does not rely on them to entirely finance the state’s highway improvement program.

Emergency Management System Featured as a National Model

The Transportation Research Board featured ITD’s new approach to emergency management as a national model in a

special publication this fall. “Planning for the Worst, Teaming with the Best,” explains the new emphasis and how it will be implemented when disaster strikes. The document contains a new emergency organizational chart that incorporates duty officers who rotate on-call duties. The duty officers are responsible for functions and employees operating under them during a disaster.

The concept enables ITD to broaden emergency-response capabilities without hiring additional staff. The department can take advantage of a wide range of expertise, from finance to planning, logistics, and equipment.

The new emergency program includes an adaptable staffing system that incorporates properly trained personnel. This allows the department to have the appropriate expertise, authority, and critical thinking to respond in a disaster or large emergency—using the best team possible.

Sand Creek Byway Receives AASHTO Award

The U.S. 95 Sand Creek Byway Project won the President’s Award for the Environment from the American Association of State Highway and Transportation Officials. The Sand Creek Byway project was the largest highway construction project in Idaho history. It has received more awards than any project in the history of the Idaho Transportation Department.

To date, the Sand Creek Byway has received 16 prestigious awards, including:

- **Engineering Excellence Award** from the American Council of Engineering Companies
- **Engineering Excellence Award** from the Idaho Chapter of American Council of Engineering Companies
- **Innovative Transportation Solutions Award** from the Treasure Valley Women in Transportation

Public Outreach Planner Tool Presented as a National Model in Washington, D.C.

The department’s Public Outreach Planner tool is recognized as a national model. The tool was selected for a presentation at the Transportation Research Board meeting in Washington, D.C., was featured by the American Association of State Highway Transportation Officials on its weekly audio program that is sent to 22,000 media and transportation officials, and received three state engineering and



The department's award-winning iPad "app" provides pilots with critical flight and airport information at their fingertips.

communications awards. The department uses the planning tool to determine the extent, timing, and methods required to notify the public of construction projects.

Preconstruction Process Earns National Award for Value Engineering

The preconstruction process for the Snake River Twin Bridges project on I-84 earned the 2013 Value Engineering Award from the American Association of State Highway and Transportation Officials. The twin bridges are located at the Declo Interchange in southern Idaho. The project will replace the existing westbound bridge and include a redesigned Declo Interchange.

The award recognizes the department for a four-day workshop that generated nearly 30 design and implementation recommendations for the project. The workshop focused on safety, mobility, economic opportunity, and achieving the department's strategic-plan goals. The workshop summary included a cost-risk assessment to evaluate the project's efficiency and cost effectiveness.

Bandwidth Initiative Saves More Than \$1 Million Over Two Years

An initiative to reduce costs, improve reliability, and increase the bandwidth of the department's communications network saved more than \$1 million over the past two years. The initiative also increased network bandwidth to the remote maintenance sheds, allowing employees to reliably submit electronic timesheets and other work documents.

iPad Pilot "App" Wins National Recognition

A new Airport Facilities Directory for iPads received the President's Award for Aeronautics from the American Association of State Highway and Transportation Officials. The application provides information and runway diagrams for 134 Idaho airports and navigational facilities, along with general flight information.

The application has become popular with pilots across the country and around the globe. Pilots from Italy, Japan, China, Canada, South Africa, Denmark, Great Britain, Taiwan, Bolivia, and Russia have downloaded the application.

New Network Connection Contract Saves \$20,000

When the contract for network connections between the Division of Aeronautics and Headquarters expired, three Enterprise Technology employees recognized an opportunity to lower the annual cost. They researched and purchased a new network contract that costs only \$7,000 annually—saving \$20,000 per year.

New Method to Deploy Computers Saves Substantial Staff Time

A new approach to deploying computers on the department's network is saving substantial staff time. The new method reduced trouble tickets to the service desk by 60 percent and is annually saving more than 7,500 hours in staff time.

Construction Bids Available Online

To improve the quality and cost effectiveness of its bid program, ITD changed the way it provides bid information for construction projects. Project advertisements and bidding documents are now being delivered on-line through a vendor.

Documents are provided as PDF files so no expensive software is needed to open them. The cost to download each set of plans is \$10.

New Partnership Ensures Safety of State-Purchased Vehicles

ITD's new partnership with the Idaho State Police (ISP) is improving the safety of state-purchased vehicles by changing who inspects them. ISP and ITD's Commercial Vehicle Unit will assure vehicles purchased with Federal Transit Administration or state Vehicle Investment Program funding meet North American Standard Inspection Program criteria and all relevant federal regulations.

More Than \$1 Million in Parks Passports Sold During Vehicle Registrations

Idahoans purchased more than \$1 million in passes to state parks when registering their vehicle since the program's inception in late 2012. The "passport" program is a cooperative effort of ITD and the Idaho Department of Parks and Recreation, allowing entrance into all Idaho state parks.

Motorists can pay \$10 for a one-year passport or \$20 for a two-year passport at the same time they purchase their vehicle registration. This is an example of how the department partners with other state agencies to provide excellent customer service to the citizens of Idaho.

Innovative Thinking Saves \$50,000

When it came time to replace a six-wheeled paint truck, ITD employees responded to the challenge to do things differently. District 4's Traffic Services chose to replace the 1.5-ton dedicated paint truck with two self-contained trailers and a 3/4-ton pickup, saving \$50,000.

One trailer installs and maintains painted pavement markings and the other thermoplastic products. Using the two trailers increased productivity by 300 percent. The paint and thermoplastic suppliers are considering featuring these innovations in national trade magazines.

Online Options are Helping Citizens Offer Opinions

The public is increasingly turning to the Internet for information about and to offer opinions on public-policy decisions. The department is responding.

This summer, more than 10 times as many people participated in online meetings or viewed project information through the Internet than participated in face-to-face meetings about the reconstruction of three I-84 interchanges. Using online meetings and other social media tools is part of the department's strategy to increase customer service and improve accountability.

Design-Build Project Increases Accountability and Improves Delivery

ITD's first design-build project, the widening and reconstruction of an Idaho 44 intersection, was successfully completed in October. The design-build delivery method is a shift from the more traditional design-bid-build delivery of construction contracts.

Design/build is a method of project delivery in which the department hires one contractor to provide design and construction services.

Contractors are responsible for both the integrity of the design as well as the quality of the project. With the design and construction teams working together, work can begin before the design is complete, allowing for quicker project delivery.

The department is working on a second design-build project to replace the Lardo Bridge on Idaho 55. The department is analyzing the design-build approach for use statewide.

Salt Brine Corrosion Inhibitor Test Under Way in Bonner County

The department is testing a chemical inhibitor to see if it will reduce vehicle corrosion caused by the use of salt brine to control snow and ice on highways. Maintenance crews are using a mixture of five percent inhibitor and 95 percent salt brine in Bonner County, and comparing the results to the use of a 100-percent salt brine mixture in Benewah County.

A third-party consultant will compare results by analyzing the corrosion of special metal washers mounted on boards along roadsides and on department maintenance trucks. Test results should be available in spring 2014.

Administration and Planning Expenditures as a Percent of Total Expenditures

Goal: Maintain Administration and Planning Expenditures within 4.5% to 5.5% of the Total

Administration and Planning
Expenditures as a Percent of
Total Expenditures
-- 2012 --



Why This Is Important

Keeping administrative and planning costs as low as possible allows more money to be spent on critical functions such as highway and bridge projects. This allows the department to make strategic investments that maximize safety, mobility, and economic vitality.

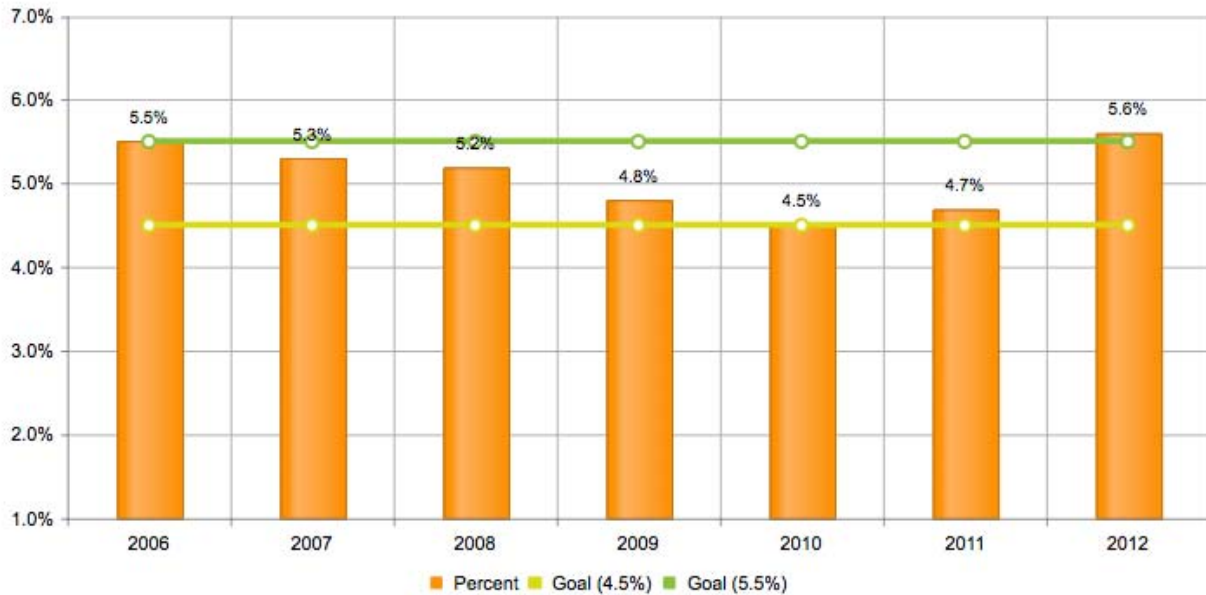
How We Measure It

The ratio is derived by dividing the total administration and planning outlay by the calculated sum of total expenditures for capital, maintenance and services, and administration and planning as reported in the annual Federal Highway Administration SF-4 Report.

What We're Doing About It

ITD has realigned its organizational structure to lower administrative costs (already the lowest of any of the surrounding states) and to further maximize its ability to invest in roads and bridges.

Administration and Planning Expenditures as a Percent of Total Expenditures



Expenditure Trends \$ 000,000

	2006	2007	2008	2009	2010	2011	2012
Total Expenditures	435.5	485.2	556.3	619.0	656.8	585.8	496.2
Administration/Planning	23.9	25.9	29.0	29.5	29.8	27.8	27.7

Vehicle Title Processing Time

Goal: Maintain an average seven-day processing cycle including transit time from county offices

Days to Process Vehicle Titles
-- 2012 --



Why This Is Important

Customers need titles to be issued in a timely manner to legally conduct vehicle sales and trades or to use titles as collateral for loans. The average title turnaround time is also a measure of staff efficiency and productivity that helps managers determine the best use of limited resources.

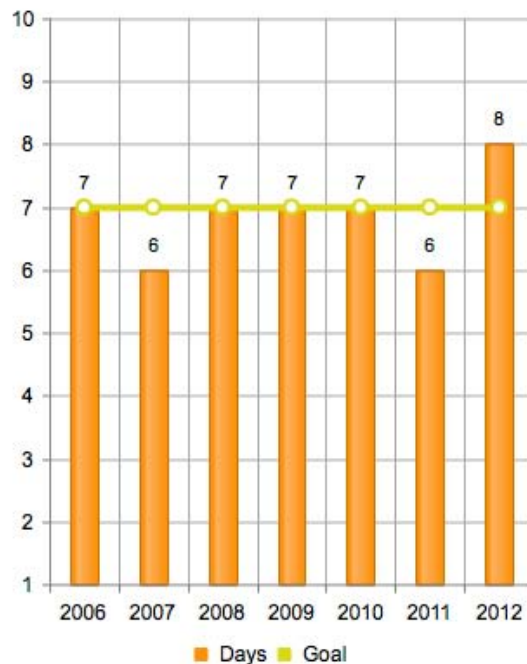
How We Measure It

Annual cycle times are calculated by dividing the sum of monthly cycle averages by twelve.

What We're Doing About It

DMV recognizes the direct customer component of their services. The division prioritizes staffing and provides training so applications are submitted quickly and correctly in minimal time.

Average Days to Process Titles



DMV Transactions Processed on the Internet

Goal: Process 267,350 on-line transactions annually by 2014

DMV Transactions Processed on the Internet (in thousands)

-- 2012 --



Why This Is Important

Online services provide the public an alternative method of payment for motor vehicle services such as licenses and permits. These services minimize staffing requirements and eliminate the need for motorists to travel and wait in lines.

How We Measure It

This measure captures only transactions by direct DMV customers who purchase online services for licenses, permits, and endorsements.

What We're Doing About It

ITD is working to expand the ability of customers to obtain licenses and permits on-line, and will focus on getting the word out for these new options through targeted communications.

Number of DMV Transactions (in thousands)



Department Highlights

In 2013, ITD received 19 national and 18 state awards for its programs and the outstanding efforts of its employees.

- **America's Transportation Award, Western Region** from the U.S. Chamber of Commerce, American Automobile Association, and the American Association of State Highway and Transportation Officials for the U.S. 95 Sand Creek Byway Project
- **President's Award for Environment** from the American Association of State Highway and Transportation Officials for the U.S. 95 Sand Creek Byway Project
- **Engineering Excellence Award** from the American Council of Engineering Companies for the U.S. 95 Sand Creek Byway Project
- **Engineering Excellence Award** from the Idaho Chapter of American Council of Engineering Companies for the U.S. 95 Sand Creek Byway Project
- **Innovative Transportation Solutions Award** from the Treasure Valley Women in Transportation for the U.S. 95 Sand Creek Byway Project
- **Roadway Safety Award** from the Federal Highway Administration for the Winter Performance Measuring System
- **Francis B. Francois Award for Innovation** from the American Association of State Highway and Transportation Officials for the Winter Performance Measuring System
- **National Finalist, Best Intelligent Transportation System**, from the Intelligent Transportation Society of America for the Winter Performance Measuring System
- **Best New Rural Innovative Practice Award** from the Intelligent Transportation Society of America for the Winter Performance Measuring System
- **Roadway Safety Award** from the Federal Highway Administration for the Highway Safety Corridor Analysis Project
- **President's Award in Administration** from the American Association of State Highway and Transportation Officials for the department's realignment efforts
- **President's Award for Aeronautics** from the American Association of State Highway and Transportation Officials for the department's iPad Aviation application
- **Gold Medal of Honor Award** from the Pacific Northwest Transplant Bank and Intermountain Donor Services organizations for Idaho's extraordinary level of participation in a national organ, tissue, and eye-donor program. Idaho is one of only 10 states in the country to receive this honor.

- **Sheldon Hayes Runner-Up Award** from the National Asphalt Paving Association for an Interstate 84 reconstruction project in southern Idaho
- **Engineering Excellence Award** from the American Council of Engineering Companies for ITD's Public Outreach Planner tool
- **Engineering Excellence Award** from the American Council of Engineering Companies for modeling and mitigation on the I-84 New York Canal project
- **Value Engineering Award** from the American Association of State Highway and Transportation Officials for preconstruction engineering on the Interstate 84 Snake River Twin Bridges
- **Outstanding State Award** from the National Association of State Motorcycle Safety Administrators for Idaho's motorcycle safety program
- **Award of Excellence** from the National Roadside Vegetation Management Association to Cathy Ford for her leadership in the national vegetation field
- **Rising Stars in Civil Engineering Award** from Civil Engineering magazine to Jason Brinkman for his exceptional technical capability, leadership ability and effective public service benefiting the civil engineering profession, their employers and society
- **Transportation Leader of the Year Award** from the Treasure Valley Women in Transportation presented to Brian Ness for his outstanding contribution to the transportation industry and advancement of women and minorities
- **National Weather Service StormReady Award** for District 4's efforts to document and ensure that ITD's programs and projects meet weather-safety standards
- **Certificates of Appreciation for Heroism** presented by the Idaho State Police to Julie Roseborough and Renae Eddings for saving the life of a stricken driver
- **First-Place Award** from the Idaho Association of Consulting Engineers for ITD's Public Outreach Planner tool
- **Two IMPACT Awards** from the Capital City Communicators for ITD's Public Outreach Planner tool and outstanding feature writing
- **10 Idaho Press Club Awards** for ITD's communication efforts